

House File 478

H-1078

Amend House File 478 as follows:

1. Page 3, after line 1 by inserting:

<DIVISION

TAXPAYERS TRUST FUND

Sec. _____. Section 8.54, subsection 5, Code 2013, is amended by striking the subsection.

Sec. _____. Section 8.55, subsection 2, Code 2013, is amended to read as follows:

2. The maximum balance of the fund is the amount equal to two and one-half percent of the adjusted revenue estimate for the fiscal year. If the amount of moneys in the Iowa economic emergency fund is equal to the maximum balance, moneys in excess of this amount shall be distributed as follows:

a. ~~The first sixty million dollars of the difference between the actual net revenue for the general fund of the state for the fiscal year and the adjusted revenue estimate for the fiscal year shall be transferred to the taxpayers trust fund.~~

b. ~~The remainder of the excess, if any, shall be transferred to the general fund of the state.~~

Sec. _____. Section 8.57E, subsection 2, Code 2013, is amended to read as follows:

2. Moneys in the taxpayers trust fund shall only be used pursuant to appropriations or transfers made by the general assembly for tax relief. During each fiscal year beginning on or after July 1, 2014, in which the balance of the taxpayers trust fund equals or exceeds thirty million dollars, there is transferred from the taxpayers trust fund to the Iowa taxpayers trust fund tax credit fund created in section 422.11E, the entire balance of the taxpayers trust fund to be used for the Iowa taxpayers trust fund tax credit in accordance with section 422.11E, subsection 5.

Sec. _____. Section 8.58, Code 2013, is amended to read as follows:

8.58 Exemption from automatic application.

1. ~~To the extent that moneys appropriated under section 8.57 do not result in moneys being credited to the general fund under section 8.55, subsection 2,~~
moneys ~~Moneys~~ appropriated under in section 8.57 and moneys contained in the cash reserve fund, rebuild Iowa infrastructure fund, environment first fund, Iowa economic emergency fund, and taxpayers trust fund shall not be considered in the application of any formula, index, or other statutory triggering mechanism which would affect appropriations, payments, or taxation rates, contrary provisions of the Code notwithstanding.

2. ~~To the extent that moneys appropriated under section 8.57 do not result in moneys being credited~~

1 to the general fund under section 8.55, subsection 2,
2 ~~moneys~~ Moneys appropriated under in section 8.57 and
3 ~~moneys~~ contained in the cash reserve fund, rebuild
4 Iowa infrastructure fund, environment first fund, Iowa
5 economic emergency fund, and taxpayers trust fund shall
6 not be considered by an arbitrator or in negotiations
7 under chapter 20.

8 DIVISION

9 IOWA TAXPAYERS TRUST FUND TAX CREDIT

10 Sec. _____. TAXPAYERS TRUST FUND — IOWA TAXPAYERS
11 TRUST FUND TAX CREDIT TRANSFER. During the fiscal
12 year beginning July 1, 2013, there is transferred from
13 the taxpayers trust fund created in section 8.57E to
14 the Iowa taxpayers trust fund tax credit fund created
15 in section 422.11E, an amount equal to the sum of
16 the balance of the taxpayers trust fund as determined
17 after the close of the fiscal year beginning July 1,
18 2012, and ending June 30, 2013, including the amount
19 transferred for that fiscal year to the taxpayers trust
20 fund from the Iowa economic emergency fund created
21 in section 8.55 in the fiscal year beginning July 1,
22 2013, and ending June 30, 2014, to be used for the Iowa
23 taxpayers trust fund tax credit in accordance with
24 section 422.11E, subsection 5.

25 Sec. _____. NEW SECTION. 422.11E Iowa taxpayers
26 trust fund tax credit.

27 1. For purposes of this section, unless the context
28 otherwise requires:

29 a. "*Eligible individual*" means, with respect to
30 a tax year, an individual who makes and files an
31 individual income tax return pursuant to section
32 422.13. "*Eligible individual*" does not include
33 an estate or trust, or an individual for whom an
34 individual income tax return was not timely filed,
35 including extensions.

36 b. "*Unclaimed tax credit*" means, with respect to
37 a tax year, the aggregate amount by which the Iowa
38 taxpayers trust fund tax credits that were eligible to
39 be claimed by eligible individuals, if any, exceeds the
40 Iowa taxpayers trust fund tax credits actually claimed
41 by eligible individuals, if any.

42 2. The taxes imposed under this division, less the
43 credits allowed under this division except the credits
44 for withheld tax and estimated tax paid in section
45 422.16, shall be reduced by an Iowa taxpayers trust
46 fund tax credit to an eligible individual for the tax
47 year beginning January 1 immediately preceding July 1
48 of any fiscal year during which a transfer, if any, is
49 made from the taxpayers trust fund in section 8.57E to
50 the Iowa taxpayers trust fund tax credit fund created

1 in this section.

2 3. The credit shall be equal to the quotient of
3 the amount transferred to the Iowa taxpayers trust
4 fund tax credit fund in the applicable fiscal year,
5 divided by the number of eligible individuals for the
6 tax year immediately preceding the tax year for which
7 the credit in this section is allowed, as determined
8 by the director of revenue in accordance with this
9 section, rounded down to the nearest whole dollar. The
10 department of revenue shall draft the income tax form
11 for any tax year in which a credit will be allowed
12 under this section to provide the information and space
13 necessary for eligible individuals to claim the credit.

14 4. Any credit in excess of the taxpayer's liability
15 for the tax year is not refundable and shall not be
16 credited to the tax liability for any following year
17 or carried back to a tax year prior to the tax year in
18 which the taxpayer claims the credit.

19 5. a. There is established within the state
20 treasury under the control of the department an Iowa
21 taxpayers trust fund tax credit fund consisting of any
22 moneys transferred by the general assembly by law from
23 the taxpayers trust fund created in section 8.57E for
24 purposes of the credit provided in this section. For
25 the fiscal year beginning July 1, 2013, and for each
26 fiscal year thereafter, the department shall transfer
27 from the Iowa taxpayers trust fund tax credit fund
28 to the general fund of the state, the lesser of the
29 balance of the Iowa taxpayers trust fund tax credit
30 fund or an amount of money equal to the Iowa taxpayers
31 trust fund tax credits claimed in that fiscal year, if
32 any. Any moneys in the Iowa taxpayers trust fund tax
33 credit fund which represent unclaimed tax credits shall
34 immediately revert to the taxpayers trust fund created
35 in section 8.57E. Interest or earnings on moneys in
36 the Iowa taxpayers trust fund tax credit fund shall be
37 credited to the taxpayers trust fund created in section
38 8.57E.

39 b. The moneys transferred to the general fund of
40 the state in accordance with this subsection shall not
41 be considered new revenues for purposes of the state
42 general fund expenditure limitation under section 8.54
43 but instead as replacement of a like amount included in
44 the expenditure limitation for the fiscal year in which
45 the transfer is made.>

46 2. Page 3, line 24, before <or> by inserting
47 <except for the Iowa taxpayers trust fund tax credit
48 allowed under section 422.11E,>

49 3. Page 5, line 15, before <or> by inserting
50 <except for the Iowa taxpayers trust fund tax credit

1 allowed under section 422.11E,>
2 4. Page 5, line 21, by striking <This> and
3 inserting:
4 <1. Except as provided in subsection 2, this>
5 5. Page 5, after line 23 by inserting:
6 <2. The following provisions of this Act apply
7 retroactively to July 1, 2012, to moneys attributed to
8 fiscal years beginning on or after July 1, 2012:
9 a. The section of this Act amending section 8.54.
10 b. The section of this Act amending section 8.55.
11 c. The section of this Act amending section 8.57E.
12 d. The section of this Act amending section 8.58.>
13 6. Title page, line 1, by striking <the individual
14 income tax by> and inserting <revenue and taxation by
15 modifying the transfer of moneys from the Iowa economic
16 emergency fund to the taxpayers trust fund, creating
17 an Iowa taxpayers trust fund tax credit and fund and
18 providing for the transfer of moneys for purposes of
19 the credit,>
20 7. By renumbering as necessary.

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